

NIT - INCOME FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT MARCH 31, 2012

	(Unaudited)	(Audited)
Note	March 31, 2012	June 30, 2011
	-----Rupees in '000-----	
ASSETS		
Bank balances	470,731	195,661
Investments	1,740,366	1,831,049
Accrued income	32,294	9,697
Security deposit	100	100
Preliminary expenses and floatation costs	2,498	3,150
Receivable against sale of units	-	125,000
Total assets	2,245,989	2,164,657
LIABILITIES		
Payable to National Investment Trust Limited - Management Company	7,562	6,892
Payable to Central Depository Company of Pakistan Limited - Trustee	233	214
Payable to Securities and Exchange Commission of Pakistan	1,162	1,525
Accrued expenses and other liabilities	12,994	6,663
Payable against redemption of units	-	135,636
Total liabilities	21,951	150,930
NET ASSETS	2,224,038	2,013,727
Unit holders' fund (as per statement attached)	2,224,038	2,013,727
CONTINGENCIES AND COMMITMENTS		
	-----Number of units-----	
Number of units in issue	200,092,395	179,749,934
	-----Rupees-----	
Net asset value per unit	11.1151	11.2029

The annexed notes 1 to 11 form an integral part of this condensed interim financial information.

For National Investment Trust Limited
(Management Company)

Sd/-
Managing Director

Sd/-
Director

Sd/-
Director

NIT - INCOME FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
 FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2012

Note	Nine months ended March 31,		Quarter ended March 31,	
	2012	2011	2012	2011

INCOME

	----- Rupees in '000 -----			
Income from government securities	116,722	137,363	31,164	43,110
Profit on bank deposits	16,857	11,074	11,739	6,568
Income from term finance certificates	60,093	42,143	20,305	14,269
Income from sukuk	5,207	-	2,234	-
Income from term deposit receipts	2,365	-	732	-
Income from certificate of investment	2,245	-	1,831	-
Income from letter of placement	125	-	-	-
Participation fee	708	-	208	-
Amortisation of (premium)/discount on term finance certificates-net	140	170	155	153
Capital gain/(loss) on sale of investments	1,132	(733)	(44)	41
Total income	205,594	190,017	68,324	64,141

EXPENSES

Remuneration of National Investment Trust Limited - Management Company	19,371	19,041	6,773	6,283
Sindh Sales Tax on remuneration to Management Company	3,100	-	1,085	-
Remuneration of Central Depository Company of Pakistan Limited - Trustee	1,957	2,162	675	637
Annual fee - Securities and Exchange Commission of Pakistan	1,162	1,142	409	376
Custodian charges of Central Depository Company of Pakistan Limited	4	-	1	-
Amortisation of preliminary expenses and floatation costs	652	650	216	212
Settlement and bank charges	102	227	53	79
Securities transaction costs	165	58	69	17
Listing fee	60	48	-	12
Auditors' remuneration	195	357	5	81
Printing charges	75	75	25	25
Rating fee	100	75	-	75
Total expenses	26,943	23,835	9,311	7,797

Net income from operating activities

Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed	178,651	166,182	59,013	56,344
Provision for Workers' Welfare Fund	6	(3,771)	(1,359)	(223)
Net income for the period before taxation	184,773	155,435	62,425	59,861

NIT - INCOME FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
 FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2012

Note	Nine months ended March 31,		Quarter ended March 31,	
	2012	2011	2012	2011

	----- Rupees in '000 -----			
Taxation	7	-	-	-
Net income for the period after taxation		184,773	155,435	62,425
Earnings per unit (in Rupees)	8	0.9814	0.7955	0.3148

The annexed notes 1 to 11 form an integral part of this condensed interim financial information.

For National Investment Trust Limited
 (Management Company)

Sd/-
 Managing Director

Sd/-
 Director

Sd/-
 Director

NIT - INCOME FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE
INCOME (UNAUDITED)
 FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2012

Note	Nine months ended March 31,		Quarter ended March 31,		
	2012	2011	2012	2011	
-----Rupees in '000-----					
Net income for the period after taxation	184,773	155,435	62,425	59,861	
Other comprehensive income for the period					
Net unrealised appreciation/(diminution) in the fair value of investments classified as 'available for sale'	4.7	12,306	9,056	8,136	2,597
Total comprehensive income for the period	<u>197,079</u>	<u>164,491</u>	<u>70,561</u>	<u>62,458</u>	

The annexed notes 1 to 11 form an integral part of this condensed interim financial information.

For National Investment Trust Limited
 (Management Company)

Sd/-
 Managing Director

Sd/-
 Director

Sd/-
 Director

NIT - INCOME FUND
CONDENSED INTERIM DISTRIBUTION STATEMENT (UNAUDITED)
 FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2012

	Nine months ended March 31,		Quarter ended March 31,	
	2012	2011	2012	2011
-----Rupees in '000-----				
Undistributed income brought forward comprising:				
Realised income	215,440	86,413	147,595	104,289
Unrealised income	-	-	-	-
	<u>215,440</u>	<u>86,413</u>	<u>147,595</u>	<u>104,289</u>
Final distribution for the period ended June 30, 2011: Rs.1.0581 per unit (2010: Rs. 0.35 per unit)				
- Bonus Units	(97,386)	(44,034)	-	-
- Cash Distribution	(89,153)	(29,486)	-	-
- CIP Units	(3,654)	(4,178)	-	-
Net income for the period after taxation	184,773	155,435	62,425	59,861
Undistributed income carried forward	<u>210,020</u>	<u>164,150</u>	<u>210,020</u>	<u>164,150</u>
Undistributed income comprising :				
Realised income	210,020	164,150	210,020	164,150
Unrealised income	-	-	-	-
	<u>210,020</u>	<u>164,150</u>	<u>210,020</u>	<u>164,150</u>

The annexed notes 1 to 11 form an integral part of this condensed interim financial information.

For National Investment Trust Limited
 (Management Company)

Sd/-
 Managing Director

Sd/-
 Director

Sd/-
 Director

NIT - INCOME FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN
UNIT HOLDERS' FUND (UNAUDITED)
 FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2012

Note	Nine months ended March 31,		Quarter ended March 31,	
	2012	2011	2012	2011
	----- Rupees in '000 -----			
Net assets at the beginning of the period	2,013,727	2,296,257	2,101,877	1,851,136
Issue of units 47,728,889 (2011: 79,846,647 units) and 25,453,026 units (2011: 37,090,491 units) for the nine months and quarter ended March 31	514,391	833,480	278,887	394,060
Redemption of 37,346,179 units (2011: 121,468,863 units) and 20,292,422 units (2011: 27,225, 778 units) for the nine months and quarter ended March 31	(402,113)	(1,258,884)	(222,600)	(291,497)
	112,278	(425,404)	56,287	102,563
Issue of 9,599,587 bonus units (2011: 4,406,122 units)	97,386	44,034	-	-
Issue of 360,164 units under Cumulative Investment Plan (2011: 418,079 units)	3,654	4,178	-	-
	2,227,045	1,919,065	2,158,164	1,953,699
Net element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed	(9,893)	9,388	(4,687)	(3,740)
Net unrealised appreciation / (diminution) in the fair value of investments classified as "available for sale"	4.7	12,306	9,056	8,136
Capital gain/(loss) on sale of investments	1,132	(733)	(44)	41
Other net income for the period	183,641	156,168	62,469	59,820
Final Distribution for the year ended June 30, 2011: Rs.1.0581 per unit (2010: Rs.0.35 per unit)				
- Bonus Units	(97,386)	(44,034)	-	-
- Cash Distribution	(89,153)	(29,486)	-	-
- Units under Cumulative Plan	(3,654)	(4,178)	-	-
	(5,420)	77,737	62,425	59,861
Net assets at the end of the period	2,224,038	2,015,246	2,224,038	2,015,246

The annexed notes 1 to 11 form an integral part of this condensed interim financial information.

For National Investment Trust Limited
 (Management Company)

Sd/-
 Managing Director

Sd/-
 Director

Sd/-
 Director

NIT - INCOME FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
 FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2012

Note	Nine months ended March 31,		Quarter ended March 31,	
	2012	2011	2012	2011
	-----Rupees in '000-----			
CASH FLOWS FROM OPERATING ACTIVITIES				
Net income for the period before taxation	184,773	155,435	62,425	59,861
Adjustments :				
Amortisation of preliminary expenses and floatation costs	652	650	216	212
Element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed	(9,893)	9,388	(4,687)	(3,740)
Amortisation of premium/(discount) on term finance certificates-net	(140)	(170)	(155)	(153)
Capital (gain) / loss on sale of investments	(1,132)	733	44	(41)
Remuneration of National Investment Trust Limited - Management Company	19,371	19,041	6,773	6,283
Sindh Sales Tax on remuneration to Management Company	3,100	-	1,085	-
Listing Fee	-	48	-	12
Profit on bank deposits	(16,857)	(11,074)	(11,739)	(6,568)
	179,874	174,051	53,962	55,866
Decrease/(increase) in assets				
Investments	104,121	478,193	69,248	36,425
Accrued income	(19,049)	(24)	(10,974)	453
Receivable against sale of unit	125,000	207,736	-	-
Advances, Deposits and Prepayments	-	(7,702)	-	(7,678)
	210,072	678,203	58,274	29,200
(Decrease)/increase in liabilities				
Payable to National Investment Trust Limited - Management Company	60	50	35	16
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	-
Payable to Securities and Exchange Commission of Pakistan	19	(102)	13	(32)
Payable against redemption of units	(364)	284	408	367
Payable against redemption of units	(135,635)	(212,508)	-	-
Accrued expenses and other liabilities	6,331	1,960	1,034	961
	(129,589)	(210,316)	1,490	1,312
Remuneration paid to the Management Company inclusive of sales tax	(21,738)	(19,339)	(7,552)	(5,651)
Profit received on bank deposit	13,326	7,375	10,393	3,360
Net cash inflow on operating activities	251,945	629,974	116,567	84,087

NIT - INCOME FUND CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)

FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2012

Note	Nine months ended March 31,		Quarter ended March 31,	
	2012	2011	2012	2011
	-----Rupees in '000-----			
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts from issue of units	514,391	833,480	278,887	394,010
Distribution paid	(89,153)	(29,486)	-	-
Payments on redemption of units	(402,113)	(1,258,884)	(222,600)	(291,447)
Net cash outflow from financing activities	23,125	(454,890)	56,287	102,563
Net increase in cash and cash equivalents during the period	275,070	175,084	172,854	186,650
Cash and cash equivalents at the beginning of the period	195,661	59,470	297,877	47,904
Cash and cash equivalents as at March 31, 2012.	470,731	234,554	470,731	234,554

The annexed notes 1 to 11 form an integral part of this condensed interim financial information.

For National Investment Trust Limited
(Management Company)

Sd/-
Managing Director

Sd/-
Director

Sd/-
Director

NIT - INCOME FUND NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2012

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 The NIT - Income Fund (the Fund) was established under a Trust Deed executed between National Investment Trust Limited (NITL) as Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Fund was approved by the Securities and Exchange Commission of Pakistan (SECP) vide its letter no. NBFC-II/NITL/1026/2009 dated November 20, 2009 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules) and the Trust Deed was executed on September 17, 2009. The units of the Fund have been initially issued at Rs. 10 per unit.

1.2 The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 6th floor, National Bank of Pakistan Building, I. I. Chundrigar Road, Karachi.

The Fund is an open-ended mutual fund. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund. The units of the Fund were initially offered for public subscription at par from February 15, 2010 to February 19, 2010 (both days inclusive). Prior to the public offer, units were offered and issued to core investors and pre IPO investors at par value of Rs.10. However, subsequent to the initial period i.e., after February 19, 2010 units are being offered in accordance with the basis specified in the offering document.

1.3 The objective of the Fund is to generate competitive stream of return with moderate level of risk for its unit holders, by investing primarily in fixed income securities / instruments.

1.4 Pakistan Credit Rating Agency Limited (PACRA) has assigned a rating of AA- to the fund.

JCR- VIS assigned as management rating of "AM2-" to the Management Company. However, JCR-VIS withdrawn due to non-renewal of agreement and Pakistan Credit Rating Agency (PACRA) has been assigned the task for rating of the Management Company.

2 BASIS OF PREPARATION

2.1 Statement of Compliance

This condensed interim financial information has been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. Approved accounting standards comprise of IAS 34: 'Interim Financial Reporting', the Trust Deed, Non Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules), Non Banking Finance Companies and Notified Entities Regulations 2008 (NBFC Regulations) and the directives issued by the SECP. In cases where requirements differ, the requirements of the Trust Deed, NBFC Rules, NBFC Regulations or the said directives take precedence.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted for the preparation of this condensed interim financial information are the same as those applied in the preparation of the annual published financial statements of the Fund for the period ended June 30, 2011.

3.1 Standards, interpretations and amendments to published approved accounting standards that are effective in the current period:

The following new standards and amendments to existing standards are mandatory for the first time for the financial periods beginning July 1, 2011:

NIT - INCOME FUND

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2012

IAS 24 (revised), 'Related party disclosures', issued in November 2009. It supersedes IAS 24, 'Related party disclosures', issued in 2003. The revised standard clarifies and simplifies the definition of a related party and removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities. The adoption of the revised standard did not have any impact on the Fund's condensed interim financial information.

IFRS 7 (amendment) 'Financial instruments: Disclosures'. This amendment was part of the IASB's annual improvement project published in May 2010. The amendment emphasises the interaction between quantitative and qualitative disclosures about the nature and extent of risks associated with financial instruments. Adoption of this amendment did not have any impact on the Fund's condensed interim financial information.

There are certain new standards, amendments and International Financial Reporting Interpretations Committee (IFRIC) interpretations that became effective during the period and are mandatory for accounting periods beginning on or after July 1, 2011 but are considered not to be relevant or did not have any significant effect on the Fund's operations and are, therefore, not disclosed in this condensed interim financial information.

3.2 Standards, interpretations and amendments to published approved accounting standards that are not yet effective

There are certain new standards, amendments and International Financial Reporting Interpretations Committee (IFRIC) interpretations that are mandatory for accounting periods beginning on or after July 1, 2011 but are considered not to be relevant or do not have any significant effect on the Fund's operations and are therefore not detailed in this condensed interim financial information.

4 INVESTMENTS

Available for sale

	Note	(Unaudited) March 31, 2012	(Audited) June 30, 2011
-----Rupees in '000-----			
Government securities - Market Treasury Bills	4.1	891,378	1,353,167
Government securities - Pakistan Investment Bond	4.1	96,155	-
Term finance certificates - listed	4.2 & 4.5	311,503	222,033
Term finance certificates - unlisted	4.3 & 4.5	266,330	255,849
Sukuk	4.4	75,000	-
Certificate of Investment	4.6	100,000	-
		<u>1,740,366</u>	<u>1,831,049</u>

NIT - INCOME FUND

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2012

4.1 Investment in government securities - Available for sale

Issue date	Tenor	Face value			Balance as at March 31, 2012			Market value as a percentage of net assets	Market value as a percentage of total investments	
		As at July 1, 2011	Purchases during the period	Sales / matured during the period	As at March 31, 2012	Cost	Market value			Appreciation / (Diminution)
-----Rupees in '000-----										
Market Treasury Bills										
February 10, 2011	6 months	-	35,000	35,000	-	-	-	-	-	
March 10, 2011	6 months	-	20,000	20,000	-	-	-	-	-	
March 24, 2011	6 months	125,000	-	125,000	-	-	-	-	-	
April 07, 2011	6 months	-	40,000	40,000	-	-	-	-	-	
April 21, 2011	3 months	20,000	-	20,000	-	-	-	-	-	
May 05, 2011	3 months	300,000	-	300,000	-	-	-	-	-	
May 05, 2011	6 months	460,000	75,000	535,000	-	-	-	-	-	
May 19, 2011	3 months	150,000	-	150,000	-	-	-	-	-	
May 19, 2011	6 months	345,000	-	345,000	-	-	-	-	-	
June 02, 2011	3 months	-	150,000	150,000	-	-	-	-	-	
June 16, 2011	3 months	-	25,000	25,000	-	-	-	-	-	
July 14, 2011	6 months	-	50,000	50,000	-	-	-	-	-	
July 28, 2011	3 months	-	150,000	150,000	-	-	-	-	-	
August 11, 2011	6 months	-	135,000	135,000	-	-	-	-	-	
August 11, 2011	12 months	-	50,000	50,000	-	-	-	-	-	
August 25, 2011	6 months	-	100,000	100,000	-	-	-	-	-	
September 08, 2011	12 months	-	35,000	35,000	-	-	-	-	-	
September 22, 2011	12 months	-	100,000	25,000	75,000	70,853	70,994	141	3%	
October 06, 2011	12 months	-	56,000	50,000	6,000	5,653	5,655	2	0%	
November 03, 2011	12 months	-	502,000	-	502,000	470,805	469,061	(1,744)	21%	
November 03, 2011	6 months	-	105,000	-	105,000	103,975	103,891	(84)	5%	
November 17, 2011	12 months	-	150,000	100,000	50,000	46,696	46,519	(177)	2%	
February 09, 2012	6 months	-	175,000	175,000	-	-	-	-	-	
March 22, 2012	3 months	-	200,000	-	200,000	195,313	195,258	(55)	9%	
			<u>1,400,000</u>	<u>2,153,000</u>	<u>2,615,000</u>	<u>938,000</u>	<u>893,295</u>	<u>891,378</u>	<u>(1,917)</u>	<u>40%</u>
									<u>51%</u>	
Pakistan Investment Bond										
July 22, 2010	5 years	-	50,000	-	50,000	49,076	48,435	(641)	2%	
August 18, 2011	5 years	-	50,000	-	50,000	48,585	47,720	(865)	2%	
			<u>-</u>	<u>100,000</u>	<u>-</u>	<u>100,000</u>	<u>97,661</u>	<u>96,155</u>	<u>(1,506)</u>	<u>4%</u>
									<u>6%</u>	
			<u>1,400,000</u>	<u>2,253,000</u>	<u>2,615,000</u>	<u>1,038,000</u>	<u>990,956</u>	<u>987,533</u>	<u>(3,423)</u>	<u>44%</u>
									<u>57%</u>	

NIT - INCOME FUND

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2012

4.2 Term finance certificates - listed

All certificates have a face value of Rs. 5,000 each.

Name of the investee company	Number of certificates				Balance as at March 31, 2012			Market value as a percentage of net assets	Market value as a percentage of total investments
	As at July 1, 2011	Purchases during the period	Disposed during the period	As at March 31, 2012	Cost	Market value	Appreciation / (Diminution)		
(Rupees in '000)									
Commercial banks									
Askari Bank Limited	16,000	-	-	16,000	80,708	85,469	4,761	4%	5%
NIB Bank Limited	5,000	-	-	5,000	24,217	24,898	681	1%	1%
United Bank Limited	10,000	-	3,000	7,000	33,198	35,190	1,992	2%	2%
Summit Bank Limited	-	20,000	-	20,000	100,000	100,637	637	5%	6%
	31,000	20,000	3,000	48,000	238,123	246,194	8,071	12%	14%
Fertilizer									
Engro Fertilizer Limited	13,000	-	-	13,000	65,531	65,309	(222)	3%	4%
	44,000	20,000	3,000	61,000	303,654	311,503	7,849	15%	18%

4.3 Term finance certificates - unlisted

All certificates have a face value of Rs. 5,000 each.

Name of the investee company	Number of certificates				Balance as at March 31, 2012			Market value as a percentage of net assets	Market value as a percentage of total investments
	As at July 1, 2011	Purchases during the period	Disposed during the period	As at March 31, 2012	Cost	Market value	Appreciation / (Diminution)		
(Rupees in '000)									
Commercial banks									
Bank Al-Falah Limited (Fixed)	7,000	-	-	7,000	35,228	36,441	1,213	2%	2%
Bank Al-Falah Limited (Floating)	14,000	-	-	14,000	70,605	70,923	318	3%	4%
Bank Al-Habib Limited (June 2009)	10,000	-	-	10,000	51,851	52,919	1,068	2%	3%
Bank Al-Habib Limited (June 2011)	20,000	-	-	20,000	99,980	106,047	6,067	5%	6%
	51,000	-	-	51,000	257,664	266,330	8,666	12%	15%

4.4 Short Term Sukuk - unlisted

All certificates have a face value of Rs. 5,000 each.

Name of the investee company	Number of certificates				Balance as at March 31, 2012			Market value as a percentage of net assets	Market value as a percentage of total investments
	As at July 1, 2011	Purchases during the period	Disposed / Matured during the period	As at March 31, 2012	Cost	Market value	Appreciation / (Diminution)		
(Rupees in '000)									
Hub Power Company Limited (Aug 11)	-	10,000	10,000.00	-	-	-	-	0%	0%
Hub Power Company Limited (Feb 12)	-	15,000	-	15,000	75,000	75,000	-	3%	4%

NIT - INCOME FUND

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2012

4.5 Significant terms and conditions of term finance certificates and short term sukuk's outstanding at the period end are as follows:

Name of security	Number of certificates	Unredeemed face value (Rupees)	Mark-up rate (per annum)	Issue date	Tenor	Secured / unsecured	Rating
Listed term finance certificates							
Askari Bank Limited	16,000	4,996	6-months KIBOR + 2.50%	November 18, 2009	10 years	Unsecured	AA-
NIB Bank Limited	5,000	4,992	6-months KIBOR + 1.15%	March 5, 2008	8 years	Unsecured	A+
United Bank Limited	7,000	4,992	6-months KIBOR + 0.85%	February 14, 2008	10 years	Unsecured	AA
Engro Fertilizers Limited	13,000	4,996	6-months KIBOR + 2.40%	December 17, 2009	7 years	Secured	AA
Summit Bank Limited	20,000	5,000	6-months KIBOR + 3.25%	October 27, 2011	7 years	Secured	A
Unlisted term finance certificates							
Bank Al-Falah Limited (Fixed)	7,000	4,996	15.00%	December 2, 2009	8 years	Unsecured	AA-
Bank Al-Falah Limited (Floating)	14,000	4,996	6-months KIBOR + 2.50%	December 2, 2009	8 years	Unsecured	AA-
Bank Al-Habib Limited (June 2009)	10,000	4,989	15.50%	June 15, 2009	8 years	Unsecured	AA
Bank Al-Habib Limited (June 2011)	20,000	4,999	15.00%	June 30, 2009	10 years	Unsecured	AA
Unlisted short term sukuk							
Hub Power Company Limited	15,000	5,000	6-months KIBOR + 1.25%	February 3, 2012	6 months	Unsecured	N/A

4.6 Certificate of Investment

Rs. 100 million worth Certificate of Investment are obtained from Pak Libya Holding Company Pvt Ltd at markup of 12.30%.

4.7 Net unrealised appreciation/(diminution) on re-measurement of investments classified as 'available for sale'

	Note	(Unaudited) March 31, 2012	(Audited) June 30, 2011
-----Rupees in '000-----			
Market value of investments		1,740,366	1,831,049
Less: Cost of investments		1,727,274	1,830,263
		13,092	786
Less: Net unrealised appreciation in the fair value of investments at the beginning of period		786	(10,089)
		12,306	10,875

5 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2012.

6 WORKERS WELFARE FUND

The Finance Act 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance). As a result of this amendment it may be construed that all Collective Investment Schemes / mutual funds (CISs) whose income exceeds Rs. 0.5 million in a tax year, have been brought within the scope of the WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever is higher. In this regard, a constitutional petition has been filed by certain CISs through their trustees in the Honourable High Court of Sindh, challenging the applicability of WWF to the CISs, which is pending adjudication. However, without prejudice to the above, the Management Company made a provision for WWF contribution in the annual financial statements for the year ended June 30, 2010.

NIT - INCOME FUND

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2012

Subsequent to the year ended June 30, 2010, a clarification was issued by the Ministry of Labour and Manpower (the Ministry) which stated that mutual funds are not liable to contribute WWF on the basis of their income. However, on December 14, 2010 the Ministry filed its response against the Constitutional petition requesting the court to dismiss the petition. According to the legal counsel who is handling the case, there is a contradiction between the aforementioned clarification issued by the Ministry and the response filed by the Ministry in Court.

Subsequent to the year ended June 30, 2011, the Honorable Lahore High Court (LHC) in a Constitutional Petition relating to the amendments brought in the WWF Ordinance, 1971 through the Finance Act, 2006, and the Finance Act, 2008, has declared the said amendments as unlawful and unconstitutional and struck them down. The Management Company is hopeful that the decision of the LHC, will lend further support to the Constitutional Petition which is pending in the SHC. However, pending the decision of the said constitutional petition, the Management Company, as a matter of abundant caution, has decided to retain the provision for WWF amounting to Rs 9.64 million (including Rs 3.771 million for the current period) in this condensed interim financial information.

7 TAXATION

The income of the Fund is exempt from income tax under Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than ninety percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders. The Fund has not recorded provision for taxation as the Management Company of the Fund intends to distribute at least ninety percent of the Fund's accounting income for the current period as reduced by capital gains, whether realised or unrealised, to its unit holders.

The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11(A) of part IV of the second schedule to the Income Tax Ordinance, 2001.

8 EARNINGS PER UNIT

Net income for the period after taxation

----- Unaudited -----			
Nine months ended March 31, 2012	Nine months ended March 31, 2011	Quarter ended March 31, 2012	Quarter ended March 31, 2011
----- Rupees in '000-----			
184,773	155,435	62,425	59,861
----- (Number of units)-----			
188,270,835	195,358,168	198,326,113	195,358,168
----- (Rupees) -----			
0.9814	0.7955	0.3148	0.3129

Weighted average number of units outstanding during the period

188,270,835	195,358,168	198,326,113	195,358,168
----- (Rupees) -----			
0.9814	0.7955	0.3148	0.3129

Earnings per unit

NIT - INCOME FUND

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2012

9 TRANSACTIONS WITH CONNECTED PERSONS

- 9.1 Connected persons include National Investment Trust Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, other collective investment schemes managed by the Management Company, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the Fund and directors and officers of the Management Company and the Trustee.
- 9.2 The transactions with connected persons are in the normal course of business, at contracted terms determined in accordance with the market rates.
- 9.3 Remuneration to the Management Company and Trustee is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively.
- 9.4 Details of transactions with connected persons during the period are as follows:

	----- Unaudited -----			
	Nine months ended March 31, 2012	Nine months ended March 31, 2011	Quarter ended March 31, 2012	Quarter ended March 31, 2011
	----- Rupees in '000-----			
National Investment Trust Limited - Management Company				
Issue of 3,850,438 bonus units (2011: 1,249,150 units)	39,062	12,484	-	-
Front end load on sale of units	60	64	35	16
Remuneration of the Management Company	19,371	19,041	6,773	6,283
Sindh Sales Tax on remuneration to Management Company	3,100	-	1,085	-
National Investment Trust Limited - Employees Provident Fund				
Issue of 241,580 bonus units (2011: 84,644 units)	2,451	846	-	-
National Investment Trust Limited - Employees Pension Fund				
Issue of 975,148 bonus units (2011: 423,221 units)	9,893	4,230	-	-
Redemption of Nil units (2011: 2,465,900 units)	-	25,025	-	-
Central Depository Company of Pakistan Limited - Trustee				
Trustee fee for the period	1,957	2,162	1,328	637
Directors & management personnel				
Issue of 2,159 bonus units (2011: 700 units)	22	7	-	-
Redemption of 22,859 units (2011: Nil units)	239	-	-	-

NIT - INCOME FUND

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2012

9.5 Amounts outstanding at the end of the period:

	(Unaudited)	(Audited)
	March 31,	June 30,
	2012	2011
	-----Rupees in '000-----	
National Investment Trust Limited - Management Company		
40,767,479 units held (June 30, 2011: 36,917,042 units)	453,004	413,578
Management fee payable	2,726	2,116
Formation cost and other initial charges payable	4,484	4,484
Sales load payable	352	292
National Investment Trust Limited - Employees Provident Fund		
2,557,789 units held (June 30, 2011: 2,316,209 units)	28,422	25,948
National Investment Trust Limited - Employees Pension Fund		
10,324,630 units held (June 30, 2011: 9,349,481 units)	114,726	104,741
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee payable	231	214
Security Deposit	100	100
Directors & management personnel		
Nil units held (June 30, 2011: 20,700 units)	-	232

10 DATE OF AUTHORISATION FOR ISSUE

This condensed financial information was authorised for issue on **April 11, 2012** by the Board of Directors of the Management Company.

11 GENERAL

11.1 Figures have been rounded off to the nearest thousand Rupees.

11.2 Corresponding figures have been rearranged and reclassified, where necessary, for the purposes of comparison. No significant rearrangements or reclassifications were made in this condensed interim financial information.

**For National Investment Trust Limited
(Management Company)**

**Sd/-
Managing Director**

**Sd/-
Director**

**Sd/-
Director**